

CLARK COUNTY DEPARTMENT OF BUILDING & FIRE PREVENTION
BUILDING ENTERPRISE FUND ADVISORY COMMITTEE (BEFAC)

CCDB&FP Conference Room 1116
September 27, 2018

MINUTES

MEMBERS/ALTERNATES PRESENT:

Bill Ham, Chair	MGM Resorts
Jessica Colvin	Clark County Finance Department
Shawn Danoski	NAIOP
Nat Hodgson	Southern Nevada Home Builders Association
Sean Stewart	Associated General Contractors (AGC)
Ron Taylor	Clark County Department of Building

MEMBERS/ALTERNATIVES NOT PRESENT:

Ed Zagalo	Clark County Finance Department
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STAFF PRESENT:

Cathy Altstatt	Clark County Department of Building & Fire Prevention
Anna Danchik	Clark County Finance Department
Jerry Stueve	Clark County Department of Building & Fire Prevention
Randy Tarr	Clark County Assistant County Manager

GUESTS IN ATTENDANCE:

Bob Weber	Retired
Cassidy Wilson	Southern Nevada Home Builders Association

In Compliance with the Open Meeting Law. The meeting of the Building Enterprise Fund Advisory Committee was called to order at approximately 9:05 a.m. by Bill Ham of MGM Resorts, and a quorum was confirmed.

I. **Introductions**

- II. **Selection of a Chairperson.** Jerry Stueve opened the meeting and stated that appointment of a Committee member to act as Chairperson was required. A motion to select Bill Ham as meeting Chairman was made by Nat Hodgson, seconded by Sean Stewart and passed unanimously. Bill Ham proceeded as meeting Chairman.

Public Comment Period. There was no public comment.

- III. **Review of Minutes.** A motion was made to approve the minutes from both the January 31, 2018 and the June 20, 2018 meetings by Nat Hodgson, seconded by Sean Stewart and passed unanimously.

IV. **Financial Update.**

- a. Current Financial Status and Fund Balance. Jessica Colvin gave recap of the June 30, 2017 discussion regarding Enterprise fund compliance with NRS 354. An explanation of NRS 354 was given which included guidelines and definition. Jessica presented financial information which reflects a cash balance over the maximum 50% of operating expenses and explained that per statute, a fee reduction will be necessary if that balance exceeds 50% in 2019. An update of 2018 unaudited numbers as compared to 2017 audited was presented, as was the proposed budget for 2019.
- b. Capital Improvement Plan. Jessica reviewed the 5 year capital plan for FY'19 through FY'23 cash flow as well as current cash flow which showed positive through the end of the 2017-2018 fiscal year. The Committee requested that BEFAC approval be obtained prior to proceeding with each individual project.

V. **Proposed Modifications to Permit Fee Schedules in Administrative Code.** Jerry Stueve presented background on a 10% fee reduction which was implemented in 2007 but for unknown reasons, the subsequent Administrative Code Adoptions never reflected that information into Naviline. Jerry made request for authorization to modify the written fee schedule to reflect the Departments' current practice and also to match the programming in Accela. A vote passed unanimously to adopt the fees as they stand today.

VI. **Proposed Modifications to Express Plan Review Process Fee.** Jerry Stueve gave background on the development of the Ad Hoc Committee to review fees and processes. From that committee, the recommendation came forward to modify the express plan review fees. The proposed modifications reflect a tiered fee structure based on the total project value:

<u>Project Construction Value</u>	<u>Express Processing Plan Review Fee</u>
\$250,000 to \$50,000,000	Four (4) times normal Building plan review fee
\$50,000,001 to \$100,000,000	Three (3) times normal Building plan review fee
Over \$100,000,000	Two (2) times normal Building plan review fee

For phased projects, the project value is considered the summation of the construction value of all phases in determining which tier would be appropriate. Currently there are 18 projects that fit the requirements for this program and only three who have taken advantage of the express plan review process.

A motion to approve the propose modifications as presented was made by Bill Ham, seconded by Sean Stuart and passed unanimously.

A future discussion may be held regarding a credit refund to match had this policy existed at the beginning of 2018. It was explained that the Board of County Commissioners requested to have any fee modification related to the Express Processing Plan Fee be retroactive to January 1, 2018. Currently there are 3 projects reflecting approximately \$655,000 which may receive a rebate with Board approval.

- VII. **Proposed Single Payment Permit Process – Building Permit Fee Structure.** Jerry Stueve presented the proposal of a single payment permit process which would incorporate subcontractor permit fees into building permit fees. The benefit would allow subcontractors to obtain permits on-line which would cut down on time for both the subcontractors and the lobby staff. The question was raised how fees would be collected on revisions and Jerry explained that revision fees would be handled as a per hour rate which is the current practice. A motion was made by Nat Hodgson to approve this proposal, seconded by Sean Stewart and passed unanimously.
- VIII. **Other Fee Related Proposed Modifications.** Jerry Stueve introduced a package of other proposed modifications for committee consideration.

Note: The need for language changes in subsequent sections was driven by the adoption of the new codes which required Administration Code Updates. This revealed the need to bring written descriptions into alignment with current practices.

Expiration, Renewal, Withdrawal and Cancellation of Permits

- a. 22.02.320 Expiration of Permits – The proposed language codifies the current process of charging a \$55 processing fee for permit fee extensions prior to expiration. An exception for ATS permits was added as they are not eligible for extension. A motion to approve this proposal was made by Bill Ham, seconded by Nat Hodgson and passed unanimously.
- b. 22.02.325 Renewal of Permits – The proposed changes are to clarify existing language as well as include a provision regarding permit renewals spanning code cycles. A motion allowing the Building Official to determine the code required if a renewable spans a code cycle was made by Bill Ham, seconded by Nat Hodgson and approved unanimously.
- c. 22.02.327 Withdrawal of Permit Application/Revision – The proposed language codifies the current process. A motion for additional language stating current business practices was made by Nat Hodgson, seconded by Bill Ham and approved unanimously.
- d. 22.02.328 Cancellation of Permits - The proposed language codifies the current process. A motion for additional language stating current business practices was made by Nat Hodgson, seconded by Bill Ham and approved unanimously.

Proposed Revision of Fees – Swimming Pools

Jerry Stueve explained that the first proposed modification separates Swimming Pool/Spa Permits from the Building Permit and allows Building Permit Fee to stand alone. The second modification adds a specific Swimming Pool/Spa permit paragraph which explains that rather than charge by components, this modification would simplify the fee process by charging a standard, one-time fee of \$110 which is equal to our current hourly rate. The rate schedule was illustrated showing the impact on small, medium and large pools. A motion to approve the Swimming Pool/Spa Permit fee proposal as written was made by Bill Ham, seconded by Sean Stewart and approved unanimously.

Grading Plan Review Fee

A proposal was introduced which would allow the Grading Plan Review fees to match how other fees are calculated which is at 35% of the permit cost. It was agreed that this item would be held and presented at a future meeting with cost model illustration.

Amusement and Transportation System Plan Review Fee

The proposed language codifies the current process. It was agreed that this item would be held and presented at a future meeting with cost model illustration.

Address Change Fee Request

Modifications were proposed which would delete this entire section. This modification would codify the current practice wherein no fees are charged for address changes. A motion to approve the proposal to delete the Address Change Fee Request was made by Nat Hodgson, seconded by Sean Stewart and approved unanimously.

Fee Refunds

Modifications which would allow the Building Official to authorize a 100% refund of charges paid in the event an error had been made. A motion to approve the proposal with language clarification which would limit the refund to only the amount associated with the error was made by Nat Hodgson, seconded by Sean Stewart and passed unanimously.

Fabricator/Manufacturer

Jerry Stueve gave explanation of current practices wherein permit specific approval shall only be granted once per fabrication facility. The proposed language codifies the current process. A motion to approve Fabricator/Manufacturer fee structure as presented was made by Bill Ham, seconded by Nat Hodgson and approved unanimously.

Quality Agency

Jerry Stueve explained that for permit specific approval, some companies are becoming certified on a project-by-project basis to avoid compliance with the requirement of becoming permanently certified. The proposed language removes that loophole from the system. The modifications to Quality Personnel Fees will clarify the current practice. A motion to approve Quality Agency Fee Structure as proposed was made by Bill Ham, seconded by Nat Hodgson and approved unanimously.

Sign Construction Permit Fees

Jerry Stueve explained proposed modifications in the tiered structure of the Sign Construction Permit Fees. It was agreed that this item would be held and presented at a future meeting when presented with a cost model.

IX. Employee Appreciation/Recognition Program Policies and Funding Request.

- a. Gift Cards. Jerry Stueve introduced a draft policy for Employee Appreciation/Recognition using gift cards and the contents of the policy were reviewed. The proposed language has been reviewed by the comptroller's office as well as the office of the District Attorney. A motion was made to accept the policy as written by Nat Hodgson, seconded by Sean Stewart and passed unanimously.

- b. Celebration Events. Jerry Stueve introduced a draft policy for Employee Appreciation/Recognition via Celebration Events and the contents of the policy were reviewed. The purpose of this policy is for team building and employee appreciation. A motion to accept the policy as written was made by Nat Hodgson, seconded by Sean Stewart and passed unanimously.

X. **Department Update**

- a. Performance Data. Jerry Stueve presented 2017-2018 performance data for both Permits Issued by Month and Completed Inspections by Month. Permits issued by month reflect an 18.4% increase in 2018. Comparison data shows 32,871 permits issued in 2017 and YTD shows 38,911 permits issued. This rising trend is expected to continue over the next 2 years.

Completed Inspections by Month shows a .5% decrease in 2018 vs. 2017 which prompted review of 2016 completions. Again, the 2016 numbers were considerably below those in 2017. It was suggested that the inspections completed have not yet caught up with permits issued but the expectation is that they soon will. Comparative data shows that through August 2017, there were 192,890 inspections and through August 2018 there were 191,893 inspections.

- b. Technical Support Staff Transfer. Jerry Stueve gave update that Technical Support Staff now reports to Central IT with staff still residing and being funded by Department of Building & Fire Prevention.
- c. Building Inspector Uniforms. After receiving uniform funding approval at the last BEFAC meeting, a uniform policy was written and the proposal was presented to Inspection Staff. The final vote was not to proceed with uniforms.
- d. Staff Development Days. Jerry gave update on the recently implemented Staff Development Day Program whereon the third Wednesday of most months, the lobby is closed to the public. This program allows for staff training & workload catch up as well as interface between divisions. The program is reported to be very successful.
- e. Staffing. The current staffing plan is to recruit and hire at the entry level. Recruitment will be ongoing and continuous at the high level positions but the plan is to begin hiring from the lower end and implement a focused training program. Bill Ham expressed support as BEFAC committee.

Staffing updates were presented and Jerry reported that 75 employees have been hired since he became Director. All permit specialists positions have been filled which is an enhancement to Lobby Operations but the Plans Exam Specialist and Fire Protection Engineer positions are proving difficult to fill as no qualified candidates are applying. There are 6 firms contracted to support the Plans Exam Process and they are being utilized as necessary. Currently, the Department is working on an RFP for Fire Protection Engineer services.

- XI. **Economic Outlook from the BEFAC Members.** Bill Ham summarized the overall outlook stating that the next two years will be challenging and very busy.

- XII. **Proposed items for future agendas.** The Grading Plan Review Fee, Amusement & Transportation System Plan Review Fee and Sign Construction Fees will be on a future agenda.
- XIII. **Set next committee meeting time and location.** The next meeting date is TBD and is expected to take place in January/February of 2019.

Public Comment. Bob Weber gave comment on the history and importance of the Enterprise Fund.

Seeing no further public comment, the meeting was adjourned at 10:30 a.m.